

VERMONT STATE TEACHERS' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Joint Conference Call Meeting
July 28, 2015 – 8:30 a.m.

Members present:

JON HARRIS, Chairperson (Active No. 25669), term expiring July 1, 2019 – via telephone
VAUGHN ALTEMUS, representing Secretary of Agency of Education
LINDA DELIDUKA, VRTA Alternate representative, term expiring July 1, 2016
ELIZABETH PEARCE, VT State Treasurer
DANIEL RADDOCK, Financial Regulation Representative

Members absent:

JOSEPH MACKEY, Vice-Chairperson, VRTA representative, term expiring July 1, 2016
JUSTIN NORRIS, Active Member Representative, term expiring July 1, 2017
Active Member Alternate Representative – vacant

Also attending:

Laurie Lanphear, Director of Retirement Operations
Joshua McCormick, assistant to Kathie Kretzer
David Driscoll, Buck Consultants
Kai Peterson, Buck Consultants

The Chairperson, Jon Harris, called the Tuesday, July 28th, 2015, joint VPIC/Retirement Board trustees meeting to order at 8:31 a.m., which was held in the basement auditorium, 109 State Street, Montpelier, VT.

ITEM 1: Joint Meeting with VPIC and other Retirement Board of Trustees to consider Investment Return assumption.

Mr. Peterson presented to the boards a handout on the assumption for the assumed rate of return. Mr. Peterson talked to the board about the GEMS model that is used and how it works. He spoke about the target asset allocation and capital market assumptions. He also spoke to the board about going from the former method of interest rate assumption, the select and ultimate method, to the now proposed Assumed Rate of Return method. Buck Consultants is recommending using a percentage of 7.95% for the assumed rate of return. NEPC attested and affirmed that they are in agreement with Buck's recommendation.

On motion by Ms. Pearce, seconded by Mr. Altemus, the board voted by roll call to adopt 7.95% as the actuarial rate of return.

ITEM 2: Adjournment

On motion by Mr. Altemus, seconded by Ms. Pearce, the Board unanimously voted by roll call to adjourn at 9:02 a.m.

Next Meeting Date:

The next scheduled VSTRS meeting is an In-House meeting, August 11th, at 9:00 a.m.

Respectfully submitted,

Kathie Kretzer
Secretary to the Board